

110000750

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA

§ 45.1-361.26

VIRGINIA:

BEFORE THE GAS AND OIL BOARD

APPLICANTS:

CNX Gas Company on behalf of Sarah Kathleen Wade
and Civil Action No CL09-476 and disbursement of her
ownership interest in Tract 21 in Drilling Unit SLW6

DOCKET NO.

92-0218-0184-03

RELIEF SOUGHT:

Issuance: A Supplemental Order for Disbursement of Escrowed Funds

Action: Amending Prior Orders Affecting Drilling Unit SLW 6:
Tract 21.
(Referenced herein as "the Subject Drilling Unit")

Location: Buchanan County, Virginia

Action Details:

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit SLW 6 by Tract Sub-accounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling Unit's Escrow Subaccount for VGOB Tract(s) identified in Table 1.

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on January 18, 2011, at the Russell County Conference Center, 139 Highland Drive, Lebanon, Virginia.
2. **Appearances:** Mark A. Swartz of Swartz Law Office appeared for the Applicant; and Sharon M.B. Pigeon, Sr. Senior Assistant Attorney General, was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract subaccounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract subaccounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between

the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

4. **Proceedings:**

4.1 (A) On February 18, 1992 the Board executed its order pooling interests in the Subject Drilling Unit for the production of coalbed methane gas and coalbed methane gas from Active Gob Area associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on May 1, 1992 in Deed Book 390, Pages 677 to 686 Instrument Number 1556. The file indicates the pooling order was re-recorded with the Clerk of the Circuit Court of Buchanan County on October 8, 1993, Deed Book 447, Page 810 to 816, Instrument Number 2603.

(B) An Amended Supplemental Order for Unit SLW-6 was entered by the Board *sua sponte* and filed with the Clerk of the Court of Buchanan County on July 14, 1998, Deed Book 478, Pages 677 to 699, Instrument 980001723. The Amended Affidavit of Elections indicates that the escrow of funds is required with regard to Unit SLW-6. The Amended Order has Affidavit of Pocahontas Gas Partnership regarding Elections, Escrow and Supplemental Order; the Elections of which are detailed in Exhibit E of the Amended Supplemental Order.

4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to Pooling Order and testimony, Sarah Kathleen Wade was in conflict with Hug MacRae Land Trust and Pocahontas Gas Partnership for coalbed methane ownership in Tract 21 in the Subject Drilling Unit and became subject to the escrow requirements of the Pooling Order.

4.3 The Unit Operator's Miscellaneous Petition, a copy of which is attached to and made a part hereof, states under oath that Sarah Kathleen Wade is now entitled to 100% of the Royalties according to the final order which was entered by Judge Keary Williams on August 31, 2010, Civil action No: CL09-476, adjudicating the ownership of coalbed methane gas with regard to Tract 21 in the subject drilling unit.

4.4 The Unit Operator gave notice to Sarah Kathleen Wade and Torch Oil and Gas Company that the Board would consider this disbursement authorization at its hearing on January 18, 2011 and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to Tract 21 identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to said Tract 21 relative to the interests of the Applicant identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties in other tracts under this order subject to continued payment in the escrow.

4.5 The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

5.2 Applicant has certified and represented to the Board that:

- (1) Sarah Kathleen Wade is due 100% of gas ownership in Tract 21 according to Judge Keary Williams in Civil action No CL09-476. Escrowed funds for Tract 21 are to be disbursed following court order and the acreage percentage share of gas ownership in Tract 21 compared to the total acreage escrowed.
- (2) Net interests attributable and to be disbursed to each Applicant is shown in Table 1,

VGOB Approved Disbursement
VGOB-92-0218-0184-03
SLW_6

			Frac Interest	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds
		Table 1					
Item	Tract	Disbursement Table					
		Totals				48.2560	
	21	Torch Oil and Gas Company		6.5560			
1	21	Torch Oil and Gas Company	1	6.5560	0.0%	-	0.0000%
2	21	Sarah Kathleen Wade (Thurman Wade) / PO Box 225 / Oakwood, VA 24631	1	6.5560	100.0%	6.5560	13.5859%

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, and, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to continue the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

7. **Conclusion:**


Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and **IT IS SO ORDERED.**

8. **Appeals:**

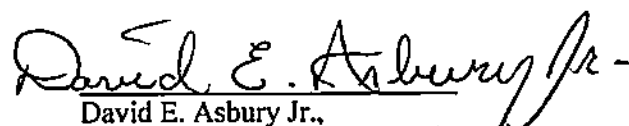
Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 16 day of March, 2011, by a majority of the Virginia Gas and Oil Board.

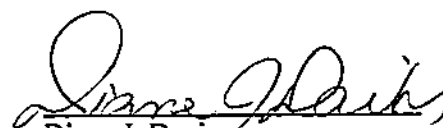

Bradley C. Lambert, Chairman

DONE AND PERFORMED this 16th day of March, 2011, by an Order of this Board.


David E. Asbury Jr.,
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF RUSSELL)

Acknowledged on this 16th day of March, 2011, personally before me a notary public in and for the Commonwealth of Virginia, appeared **Bradley C. Lambert**, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and **David E. Asbury Jr.**, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public #174394

My commission expires: 09/_30/_2013__



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 92-0218-0184-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 21
(Royalties currently being paid under
Buchanan No.1 SGU, VGOB 98-1117-0697)

HEARING DATE: December 14, 2010

DRILLING UNIT: SLW 6

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 21 as depicted upon the annexed Exhibit A. (Royalties currently being paid under Buchanan No.1 SGU, VGOB 98-1117-0697)

3. Legal Authority: Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of well(s): Coalbed methane.

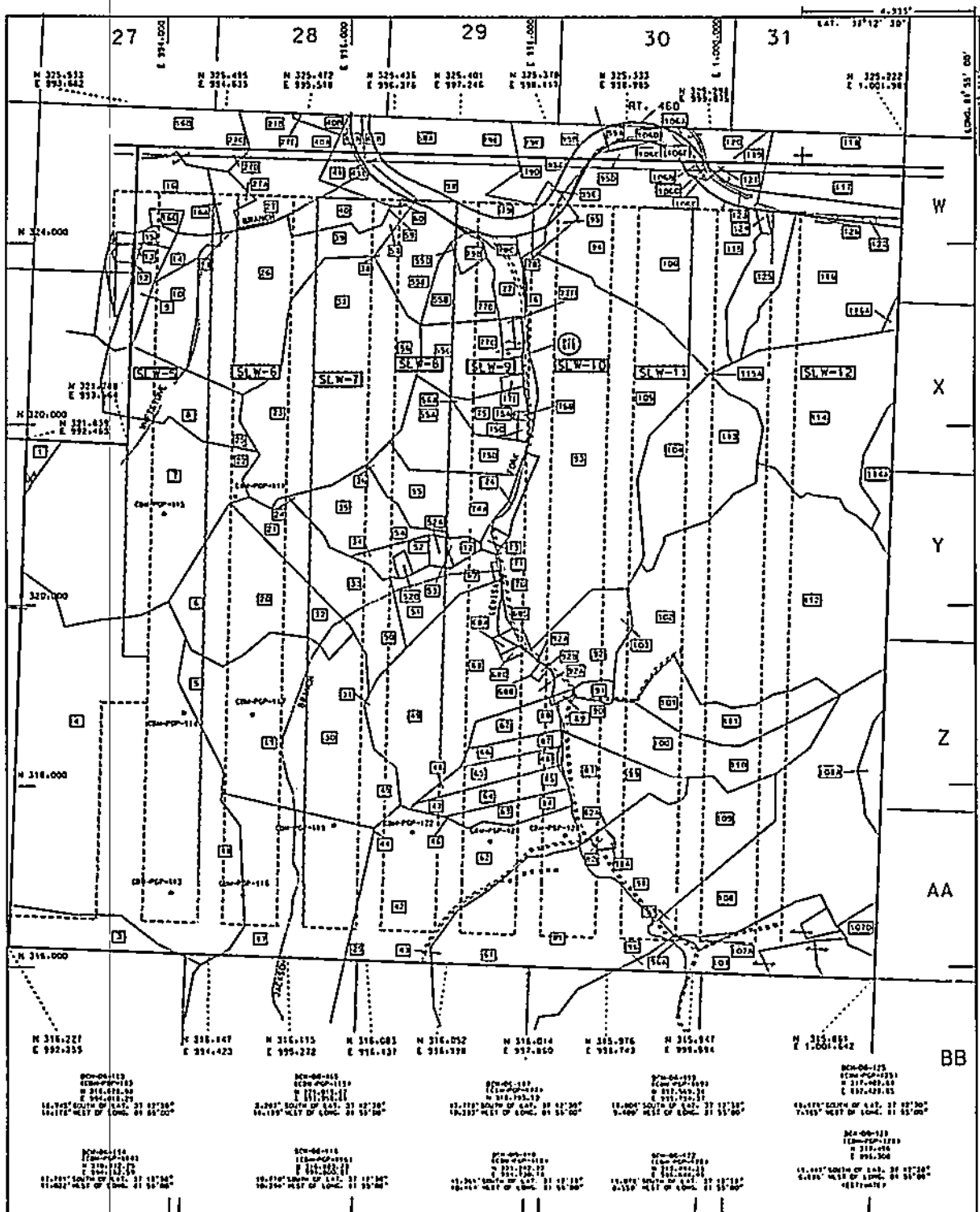
5. Factual basis for relief requested: Sarah Kathleen Wade is entitled to 100% of the Royalties according to the final order which was entered by Judge Keary Williams on August 31, 2010, Civil action No CL09-476, adjudicating the ownership of coalbed methane gas. The annexed Exhibit A, further, specifies how said royalties are to be paid.

6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 

Anita D. Duty
Pooling Supervisor
CNX Land Resources, Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701



NOTE: ALL ACRES ARE PLANIMETERED

EXPLANATION

- PROPOSED BUS-3 SEALED GDB
- PROPERTY LINE
- HIGHWAY RIGHT-OF-WAY
- 1 TRACT IDENTIFICATION NUMBER
- COUNTY ROUTE
- OAKWOOD FIELD LINE
- AA-26 OAKWOOD FIELD 80 ACRE ID.
- SLW-7 LONGWALL PANEL UNIT ID.
- PROPOSED MINE PLAN
- VIRGINIA SOUTH STATE PLANE
- COORDINATES NORTH 325.065
- EAST 992.667
- COMBINED METHANE WELL
- LOCATION
- TRACT LAND HOOK

EXHIBIT B-1

POCAHONTAS GAS PARTNERSHIP
DOCKET NO. VGOB-92/02/18-184

FORCE POOLING
WELL LOCATIONS

SLW 6
KEEN MTH. QUADRANGLE
BUCHANAN COUNTY, VA

SCALE:
0' 520' 1100'

PREPARED BY: L. ARRINGTON
CHECKED BY: D.A. BRADSHAW
DATE: FEB. 05, 1992
REVISION: 7/10/92

Pocahontas Gas Partnership

Docket No. VGOB-92/02/18-0184 Force Pooling Application

Panel by Panel Active Coalbed Methane Units

SLW-6

Total Acres - 185.915

(Note: See attached map Exhibit B and B-1 for tract location.)

Page 1

17. Coal Mountain Mining - TR 2 - Coal, Oil & Gas
Coal Lessees
United Coal Company
Consolidation Coal Company
Consolidation Coal Company - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
21.408 acres - 11.52%
18. Hugh MacRae Land Trust - TR 21A - Coal, Oil & Gas
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Consolidation Coal Company - Oil & Gas Lessee
Pocahontas Gas Partnership - CBM Lessee
13.476 acres - 7.25%
19. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
Coal Mountain Mining - Oil & Gas
32.476 acres - 17.47%
20. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
R. Horn - Oil & Gas
25.062 acres - 13.48%

Pocahontas Gas Partnership

Docket No. VGOB-92/02/18-0184 Force Pooling Application

Panel by Panel Active Coalbed Methane Units

SLW-6

Total Acres ~ 185.915

(Note: See attached map Exhibit B and B-1 for tract location.)

Page 2

21. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
T. Wade - Oil & Gas
6.556 acres - 3.53%
22. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
Consolidation Coal Company - Oil & Gas
4.854 acres - 2.61%
23. Hugh MacRae Land Trust - TR 2 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
E. Keen Heirs - Oil & Gas
20.780 acres - 11.18%
24. Hugh MacRae Land Trust - TR 5 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
J.D. Keen - Oil & Gas
0.185 acres - 0.100%

Pocahontas Gas Partnership

Docket No. VGOB-92/02/18-0184 Force Pooling Application

Panel by Panel Active Coalbed Methane Units

SLW-6

Total Acres - 185.915

(Note: See attached map Exhibit B and B-1 for tract location.)

Page 3

25. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
A. Meadows - Oil & Gas
3.661 acres - 1.97%
26. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
Garden Reality - Oil & Gas
Consolidation Coal Company - Oil & Gas Lessee
31.027 acres - 16.69%
27. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
W. J. Sisk Heirs - Oil & Gas
15.47 acres - 8.32%

Pocahontas Gas Partnership

Docket No. VGOB-92/02/18-0184 Force Pooling Application

Panel by Panel Active Coalbed Methane Units

SLW-6

Total Acres - 185.915

(Note: See attached map Exhibit B and B-1 for tract location.)

Page 4

- 27A. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Pocahontas Gas Partnership - CBM Lessee
E. Addison Heirs - Oil & Gas
2.563 acres - 1.38%
- 27B. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Island Creek Coal Company
Pocahontas Gas Partnership - CBM Lessee
W. J. Sisk Heirs - Oil & Gas
5.20 acres - 2.80%
- 27C. Hugh MacRae Land Trust - TR 17 - Coal
Coal Lessees
Permac, Inc.
Consolidation Coal Company
Island Creek Coal Company
Pocahontas Gas Partnership - CBM Lessee
A. Meadows - Oil & Gas
1.76 acres - 0.95%

Pocahontas Gas Partnership

Docket No. VGOB-92/02/18-0184 Force Pooling Application

Panel by Panel Active Coalbed Methane Units

SLW-6

Total Acres - 185.915

(Note: See attached map Exhibit B and B-1 for tract location.)

Page 5

27D. Hugh MacRae Land Trust - TR 17 - Coal

Coal Lessees

Permac, Inc.

Consolidation Coal Company

Pocahontas Gas Partnership - CBM Lessee

A. Meadows - Oil & Gas

1.16 acres - 0.62%

27E. Hugh MacRae Land Trust - TR 17 - Coal

Coal Lessees

Permac, Inc.

Consolidation Coal Company

Island Creek Coal Company

Pocahontas Gas Partnership - CBM Lessee

C. Jackson - Oil & Gas

0.25 acres - 0.13%

Exhibit E
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants that require escrow
(185.916 Acre Unit)

	Net Acres in Unit	Interest in Unit
<u>Tract #23 - 20.780 Acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr.2 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	20.780 acres	11.1772%
<u>CBM Royalty Owner (Claim from the Coal Estate Owner):</u>		
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Ernest Keen Heirs, Devisees, Successors, or Assigns	20.780 acres	11.1772%
(a) Paul Keen Heirs, Devisees, Successors, or Assigns		
(b) Ralph Keen 200 Summit Avenue Lebanon, VA 24266	4.156 acres 1/5 of 20.780 acres	2.2354%
(c) Arnold Keen PO Box 475 Keen Mtn., VA 24624	4.156 acres 1/5 of 20.780 acres	2.2354%
(d) Ruby Hale Heirs, Devisees, Successors or Assigns		
(d.1) Billy Ray Hale PO Box 311 Honaker, VA 24660	1.039 acres 1/20 of 20.780 acres	0.5589%
(d.2) Linda Hale Matney PO Box 738 Pounding Mill, VA 24637	1.039 acres 1/20 of 20.780 acres	0.5589%
(d.3) Brenda Weddle PO Box 185 Cedar Bluff, VA 24609	1.039 acres 1/20 of 20.780 acres	0.5589%
(d.4) Carl Lee Hale PO Box 330 Pounding Mill, VA 24637	1.039 acres 1/20 of 20.780 acres	0.5589%
(e) Anna R. Lambert 182 Blankenship Drive N. Tazewell, VA 24630	4.156 acres 1/5 of 20.780 acres	2.2354%

Exhibit E
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants that require escrow
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit
(f) Elizabeth Ann Justice P.O. Box 677 Rosedale, VA 24280 <i>(previously Roy & Ann McCowan)</i>	4.156 acres 1/5 of 20.780 acres	2.2354%

Tract #27 - 15.470 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	15.470 acres	8.3210%
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) W.J. Sisk Heirs, Devisees, Successors or Assigns	15.470 acres	8.3210%
(a) Dale Hodge Chambers Rt 1 Box 82 Raven, Va 24639	5.157 acres 1/3 of 15.470 acres	2.7737%
(b) Larry Douglas Chambers Rt 1 box 82 Raven, Va 24639	8.103 acres 11/21 of 15.470 acres	4.3586%
(c) Jimmy Donald Sisk 2854 Kay Blvd Norton, OH 44203	0.553 acres 1/28 of 15.470 acres	0.2972%
(d) Walter Jackson "Bud" Sisk 229 Hesque Street Kingsport, TN 37665	0.553 acres 1/28 of 15.470 acres	0.2972%
(e) Nancy Sisk c/o Walter Jackson Sisk 229 Hesque Street Kingsport, TN 37665	0.553 acres 1/28 of 15.470 acres	0.2972%
(f) Maudie Ellen Sanders 600 North 583 Street Kokomo, In 46901	0.553 acres 1/28 of 15.470 acres	0.2972%

Exhibit E
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants that require escrow
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit
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Tract #27B - 5.200 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	5.200 acres	2.7970%
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) W.J. Sisk Heirs, Devisees, Successors or Assigns	5.200 acres	2.7970%
(a) Dale Hodge Chambers Rt 1 Box 82 Raven, Va 24639	1.733 acres 1/3 of 5.20 acres	0.9323%
(b) Larry Douglas Chambers Rt 1 box 82 Raven, Va 24639	2.724 acres 11/21 of 5.20 acres	1.4651%
(c) Jimmy Donald Sisk 2854 Kay Blvd Norton, OH 44203	0.186 acres 1/28 of 5.20 acres	0.0999%
(d) Walter Jackson "Bud" Sisk 229 Hesque Street Kingsport, TN 37665	0.186 acres 1/28 of 5.20 acres	0.0999%
(e) Nancy Sisk c/o Walter Jackson Sisk 229 Hesque Street Kingsport, TN 37665	0.186 acres 1/28 of 5.20 acres	0.0999%
(f) Maudie Ellen Sanders 600 North 583 Street Kokomo, In 46901	0.186 acres 1/28 of 5.20 acres	0.0999%

Tract #27E - 0.250 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	0.250 acres	0.1345%
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Exhibit E
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants that require escrow
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) Corbett Jackson Rt 1 Box 80 Raven, VA 24639	0.250 acres	0.1345%
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Exhibit EE
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants with Royalty Split Agreements
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>Tract #19 - 32.476 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, 5 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	32.476 acres	17.4682%	n/a
<u>CBM Royalty Owner (Claim from the Coal Estate Owner):</u>			
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) Coal Mountain Mining Company, LLP, P.O. Box 675 Tazewell, VA 24651	32.476 acres	17.4682%	n/a
<u>Tract #20 - 25.062 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr.5 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	25.062 acres	13.4804%	n/a
<u>CBM Royalty Owner (Claim from the Coal Estate Owner):</u>			
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Consolidation Coal Company)	25.062 acres	13.4804%	n/a
<u>Tract #21 - 6.556 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr.5 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	6.556 acres	3.5263%	

Exhibit EE
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants with Royalty Split Agreements
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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Although the deed from Hugh Macrae Land Trust to Torch Oil & Gas Company conveyed the Coal owners' claim to the CBM estate to Torch Oil & Gas Company. The CBM ownership was adjudicated to the prevailing plaintiff Sarah Kathleen Wade under Civil Action Case #CL09-476 executed August 31, 2010. Royalties are to be paid 100% to the prevailing plaintiff.

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) Thurman Wade Heirs, Devisees,
Successors or Assigns

(a) Sarah Kathleen Wade P. O. Box 225 Oakwood, VA 24631	6.556 acres	3.5263%	13.5859%
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NOT: Sarah Kathleen Wade is prevailing Plaintiff in Civil Action Case #CL09-476 and is awarded 100% of the Coalbed Methane Gas estate underlying this tract. All bonuses and/or royalties are to be paid to Sarah Kathleen Wade.

Tract #22 - 4.854 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	4.854 acres	2.6109%	n/a
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Consolidation Coal Company)	4.854 acres	2.6109%	n/a
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Tract #24 -0.185 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.5 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	0.185 acres	0.0995%	n/a
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Exhibit EE
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants with Royalty Split Agreements
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Pocahontas Gas Partnership)	0.185 acres	0.0995%	n/a
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Tract #25 - 3.661 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	3.6610 acres	1.9692%	n/a
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Pocahontas Gas Partnership)	3.661 acres	1.9692%	n/a
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Tract #26 - 31.027 Acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	31.027 acres	16.6888%	n/a
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CBM Royalty Owner (Claim from the Coal Estate Owner):

Torch Oil & Gas Company
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

Exhibit EE
SLW-6
Docket #VGOB 92-0218-0184-03
List of Conflicting Owners/Claimants with Royalty Split Agreements
(185.915 Acre Unit)

	Net Acres in Unit	Interest in Unit	Percent of Escrow
<u>OIL & GAS OWNERSHIP</u>			
(1) Garden Realty Corporation c/o Margret Worley Burns 108 Bexley Road Moorsville, NC 28117	31.027 acres	16.6888%	n/a
<u>Tract #27C - 1.760 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	1.760 acres	0.9467%	n/a
<u>CBM Royalty Owner (Claim from the Coal Estate Owner):</u>			
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Pocahontas Gas Partnership)	1.760 acres	0.9467%	n/a
<u>Tract #27D - 1.160 Acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hugh MacRae Land Trust, Tr.17 c/o Alan Siegel Esq Gump, Strauss, Akin LLP 590 Madison Avenue, 20th Floor New York, NY 10022-2524	1.160 acres	0.6239%	n/a
<u>CBM Royalty Owner (Claim from the Coal Estate Owner):</u>			
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030			
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company LLC 1000 Consol Energy Drive Canonsburg, PA 15317 (previously Pocahontas Gas Partnership)	1.160 acres	0.6239%	n/a

Exhibit A
Tract-by-Tract Escrow Calculation
Account Balances as of 9/30/10

Unit: SLW6
VGOB 92-0218-0184-03
Acres Escrowed: 48.256000

Owners	Tract #	Acres	Interest	Amount Due Owners
				\$124,602.58
Torch Oil and Gas Company- Coal				
Sarah Wade (Thurman Wade) - O.G & CBM	21	6.558	13.5858%	\$16,928.35

INSTRUMENT #110000750
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 30, 2011 AT 11:00AM
BEVERLY S. TILLER, CLERK
RECORDED BY: DA